HOUSE COMMITTEE AMENDMENTS

Amendments proposed by House Committee on Civil Law and Procedure to Original House Bill No. 223 by Representative Henry Burns

1 <u>AMENDMENT NO. 1</u>

- 2 On page 1, line 2, change "R.S. 31:137" to "R.S. 31:138"
- 3 AMENDMENT NO. 2
- 4 On page 1, line 5, change "R.S. 31:137" to "R.S. 31:138"
- 5 AMENDMENT NO. 3

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- 6 On page 1, delete lines 6 through 19 in their entirety and insert the following:
- 7 "§138. Required response of lessee to notice
 - <u>A.</u> The lessee shall have thirty days after receipt of the required notice within which to pay the royalties due or to respond by stating in writing a reasonable cause for nonpayment. The payment or nonpayment of the royalties or stating or failing to state a reasonable cause for nonpayment within this period has the following effect on the remedies of dissolution and damages.
 - B. Unless otherwise provided by the mineral lease, there shall be a rebuttable presumption that the payment of royalties due is timely if such royalties are paid to the owner to whom they are due within the following time periods:
 - (1) Within one hundred eighty days after the first sales of production obtained from the land burdened by the mineral lease or land unitized therewith; and
 - (2) With respect to the sales of production made after the period set forth by Paragraph (1) of this Subsection,
 - (a) Within sixty days after the end of the calendar month in which oil production is sold; or
 - (b) Within ninety days after the end of the calendar month in which as production is sold.
 - C. The provisions of Subsection B of this Section shall not be construed to create any presumption that payment is not timely, and this Section shall not be construed to mean that any royalty payment is untimely if made after the time periods set forth by Subsection B of this Section.
 - D. The provisions of this Section shall be effective from all payments due during the period beginning September 1, 2013, and ending June 30, 2014."